

Bill Number:

SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-0640 • RFA.SC.GOV/IMPACTS

H. 3917 Amended by House Judiciary on March 20, 2019

Author: Clemmons

Subject: SC Electronic Notary Public Act

Requestor: House Judiciary
RFA Analyst(s): Griffith and Gardner
Impact Date: March 21, 2019

Fiscal Impact Summary

This bill will not have an expenditure impact on the General Fund, Other Funds, or Federal Funds of the Commission on Indigent Defense, the Commission on Prosecution Coordination, the Judicial Department, or the Secretary of State's Office because the bill requires the organizations to perform activities conducted in the normal course of agency business, and they will manage any additional expenses within their existing appropriations.

The revenue impact of this bill is undetermined due to the lack of information available on electronic notary publics.

Explanation of Fiscal Impact

Amended by House Judiciary on March 20, 2019 State Expenditure

This bill allows notaries public commissioned in South Carolina to register as electronic and remote online notaries public. The act does not apply to wills, codicils, and trusts, and it will take effect one year after approval by the Governor. Remote and electronic notary public applications will not be accepted until the Secretary of State approves vendors of technology.

Commission on Indigent Defense. The bill requires the agency to perform activities that will be conducted in the normal course of agency business. As a result, this bill does not have an expenditure impact on the General Fund, Other Funds, or Federal Funds.

Commission on Prosecution Coordination. The bill requires the agency to perform activities that will be conducted in the normal course of agency business. As a result, this bill does not have an expenditure impact on the General Fund, Other Funds, or Federal Funds.

Judicial Department. The bill creates a new offense triable in General Sessions Court, making it a misdemeanor for a person to conceal, damage, or destroy the certificate, disk, coding, card, program, software, or hardware that allows the notary to affix their seal or electronic signature. As this bill creates a new offense, there is no data available upon which to estimate the number of hearings or trials that may be initiated in General Sessions Court as a result of this legislation. The agency anticipates that any impact from the increased caseload in general sessions would be absorbed by the Judicial Department. Therefore, this bill will have no expenditure impact to the General Fund, Other Funds, or Federal Funds.

Secretary of State. The bill requires the Secretary of State to develop and uphold standards for electronic and remote online notarization. The Secretary of State's Office expects to manage any additional expenses within its existing appropriations. Therefore, the bill will not have an expenditure impact on the General Fund, Other Funds, or Federal Funds.

State Revenue

The bill requires the Secretary of State to charge a \$50 fee for the registration of an electronic notary public. In addition, the office may charge a \$10 fee for issuing an electronic certificate of authority. While the current number of paper notary publics is 141,000, it is unknown how many will apply to become electronic notary publics. We contacted two other states that have electronic notaries to find out what percentage of their notaries participate in their prospective electronic notary programs, but no information has been received. Therefore, the revenue impact of this bill is undetermined.

Local Expenditure

N/A

Local Revenue

N/A

Frank A. Rainwater, Executive Director

Page 2 of 2